the national defense of the United States 25X1A to an unauthorized person is prohibided by Law. TELLIGENCE GROUP 25X1A DATE: COUNTRY China SUBJECT Economic Information: Conditions in Communist-29 April 1947 controlled Manchuria **PAGES** 1 25X1A SUPPLEMENT 25X1X Most of the machinery in the coal mines at Suileng (127-17, 47-09) and Hungkang /? Haokang, 海人(村, (130-17, 47-05), possibly misread "Hungkang" / has been removed by the Soviets; the muchinery remaining in each is now in operation, 25X1X although most of the work is still done manually. The cutput of the Suileng mine is 400 tons daily and that of the Hungkang mine, 650 tons daily. As the output is just sufficient to meet the demands of the railroads, coal is not sold note: In September an article in the Ta Kurg Pao 25X1B to the public. stated that the Founsin mine was producing 600 tons daily. Founsin is one of the largest mines in Manchuria, and it is doubtful that lesser mines such as the Suileng and Hungkang mines could produce 400 and 650 tons daily with only manual laber.) 25X1X Cotton thread and cotton material purchased in Nationalist areas can be sold for double the initial price in Communist areas. 25X1X The Chinese Communists have organized Production Bureaus in Harbin, Chiamussu (130-20, 46-50), and Mutanchiarg (129-37, 44-35). The bureaus control all industrial and commercial concerns, the local markets, and all native goods (cereals and products of home industries) in the countryside. The bureaus have ordered the private concerns to organize an "I Kung Hul" (\* A B ) which will train laborers. Shops will be run by these trained workers. Of the profits, 40% will go to the manager and 60% to the workers. If the stores are unable to maintain themselves, the Production Bureau will contribute funds to help them continue in business. This actually makes the concerns half privately-owned and half government-owned. Many merchants are dissatisfied with this method of economic control. 25X1A Prices of cereals in Harbin have decreased during the month of January. One bag of flour (44 catties) costs 7300 NEC; one catty of rice costs 54 NEC; and one catty of sorghum, 16. The note: Exchange rate: approximately 1 NEC to 11 CNC.) A limited amount of cereals has been stored inside the city and the Chinese Communists are commandeering cereals from the surrounding districts 25X1X This document is hereby regraded to CONFIDENTIAL in accordance with the CONTIDENTIAL letter of 16 October 1978 from the Director of Central Intelligence to the Archiviol of the United States. Next Review Emb: 2008 CLAS TION CONFIDENCE Extracted by F.I.R. Document No. NO CHANGE REFERENCE CENTER LIBRARY DEC ⁄ቋppro<del>ved ቸຽr ሺ/ľeấše 2001/03</del>/05 : CIA-RDP82-00457R000500490007-0